



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Re application of

F. William Gregory, Jr.

Serial No. 09/613,552

Filed July 10, 2000

Entitled: System and method for delivering commercial lines insurance policies

Examiner: Porter, Rachel L.

Group Art Unit 3626

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Pittsburgh, Pennsylvania 15237

December 29, 2005

Mail Stop Appeal Brief
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

FILING AN APPEAL BRIEF 37 §41.37

Sir:

Applicant hereby submits an Appeal Brief under 37 §41.37 for the above-identified patent application. A check in the amount of \$250.00 is submitted herewith for the Government Fee.

Respectfully submitted,

Clifford A. Poff
Agent for Applicant
Registration No. 24,764

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Enclosure
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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Mail Stop Appeal Brief, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on December 29, 2005

Linda C. LaCone

Date: December 29, 2005

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In The United States Patent and Trademark Office
Before The Board of Appeals and Interferences

In re application of

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Pittsburgh, Pennsylvania 15237
December 29, 2005

Mail Stop Appeal Brief – Patent
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Appeal Brief under 37 CFR § 41.37

(i) Real party in interest.
Derry Street Properties, Inc.

(ii) Related appeals and interferences.
None

(iii) Status of claims.
All claims are rejected and are being appealed.

(iv) Status of amendments.
There have been no amendments filed subsequent to the final rejection.

(v) Summary of claimed subject matter.

The object of the invention is the provision of a one software application for the rating, policy issuance, billing, reinsurance, bureau reporting, management reports and claims processing functions of a property-casualty insurance company. (Page 2, lines 17 - 20). In Figure

1, the one software application is identified by reference numeral 24 and resident in a central processor 14 of the communication system linked by the Internet 10 through a firewall 16 to user enabled interface terminals e.g. personal computers, 12-1, 12-2, ----12-N. The central processor 14 is coupled for administrative functions to a computer terminal 20 forming a readout including a printer 22. The one software application 24 forms data base files accessible by a billing software application 100; a report software application 110; a claims software application 120; and a cash entry software application 150; all such applications are of the computational and data processing types using both arithmetic computations and data handling operations.(Page 5, line 17 – Page 6, line 13). The one software application 24 supplies functionality within the policy processing which enables a response to a print command delivered from an agent's terminal to the central processor 14 for printing a commercial lines insurance policy and policy premium invoicing without the need to access one or more other software applications. (Page 6, line14 – Page 7, line 2) The one software application using the web 10 allows on a real time basis with click and point technology and browser enabled for Internet or Intranet deployment BOP rating and policy functions.(Page 10, lines 5 -7)

The flow chart of Figure 2 for one software application 24, uses control and processing programs for building and issuing commercial lines insurance including the use of display fields for building individual policy processing data bases by the use of a control selection menu of display screens as in Figure 3 for entry into control and processing programs each containing display fields enabling the entry of data to the policy processing data bases. System data bases are built using a multiplicity of files, e.g., 100 files each containing a multiplicity of files, e.g., 1000 utilized by the system. The display screen in Figure 3 allows for the selection of functions each following by the progression of one or more additional display

screens to allow systematic introduction of information for building of an individual policy data base. As seen in the example of Figure 3, the selection blocks allows the user to select any of the following topics: new submit; submit to quote; new quote; work on quote; quote to binder; quote to issue; binder to issue; new issue; work held issue; endorsement; work held issue; endorsement; work held endorsement; cancellation; reinstatement; audit; renewal; bill work review; CTL# (control) bill review; and CTL# (control) review-policy inquiry. The other displayed topics of cash received, cash returned and write off are functions of the cash entry software application 150 that access data files but are not part of the one software application 24. The display screen of Figure 3 allows the collection of additional data in the "selection criteria box along with entry of identification indicia consisting of company identification; control number; and an effective policy date. Management control buttons of: OK; Exit; Allow Company Change; and Allow Agent Change are also provided in the display screen. (Page 7, line 3 – Page 8, line 11)

The one software application 24 as shown by the flow diagram of Figure 2 is operative in a step wise fashion for building the basic information for a commercial lines insurance policy. Entries are made by a terminal 12-N and/or the administrative computer terminal 20 of the insured effective date of the policy as indicated by block 26. Block 28 indicates the entry of insured address, location loan or mortgagee as indicated by. Block 30 indicates entry of risk information such as a description of the insured structure, the contents, policy types identifying named perils or an expanded or a basic type of policy. Block 32 indicates entries of miscellaneous coverage outlining property liability which includes the use of look up tables for the selection and introduction of commercial lines policy rating included in the policy processing data base. Block 34 indicates in upon command for building the commercial lines insurance policy the introduction of data base forms, defining terms, adding and removing forms. The

system automatically applies forms based on selected coverage which the user can override to remove or add additional forms. (Page 8, line 12 – page 9, line 7)

Block 36 of the one software application 24 identifies the system function of rating the policy using data and the policy processing data base including any allowable reinstatement fees. The policy rating applicable, for example, to Mutual Service Office (MSO) Business owners' Policy supports rating of the following MSO coverages and options: named perils or expanded type of policy; building; personal property; discretionary credit of debit; central station credit; experience rating credit based on years loss free; multiple location credit; new building credit; target classification; accounts receivable; actual cash value; burglary and robbery; consequent loss-utility service, mechanical breakdown; deductibles of 200, 500, 1000, 2000, 3000; wind deductibles of 500, 1000, 2000, 3000, 5000; employee dishonesty; building inflation; loss of income options: delete, dollar limits, extra expense and rental income only; money and securities; off premises; outdoor signs; outdoor glass; peak season; valuable papers; building law/code; indoor showcase glass; theft exclusion; vacancy/un-occupancy; water backup; fire legal liability limits of \$50,000-\$100,000-\$250,000-\$500,000; expanded fire legal liability; liability limits of \$300,000-\$500,000-\$1,000,000; aggregate liability limits of double the occurrence limit; hired non-owned automobile options: delete coverage or expand coverage; professional liability, i.e., barber shop, beauty shop, druggist, funeral director, optical/hearing aid service, incidental professional, veterinarian; employee benefits liability; and additional insured. (Page 9, line 8 – Page 10, line 5)

A decision block 38 diverts the issue of premium acceptability in the event of the NO answer to a block 40 where credits may be applied to the premium by an entry in return line

42 to block 26 as an entry to the system. In the event of the acceptance to the premium a YES answer forms an entry to a decision block 44 allowing for the possibilities of a PRINT-HOLD-BIND option. A HOLD command diverts the quote to storage as indicated by block 46. A PRINT command to block 48 supplies the quote to the agent and the company. The PRINT command allows exercise of functionality within the rating system by providing that the system will print a quote worksheet; the system will print declaration pages and required schedules, the user may select to print a review copy of a declaration page and schedules; the system will apply forms as required based in rating selections; the system will rate coverages and display the premium by coverage and location; the user may manually add additional coverage; the user may elect to release policy or hold for further review; and the user maintained forms, rates and coverages for ease of modifications and rate changes. When the activities by the agent result in the decision to BIND, all subsequent processing proceeds, still within the one software application, by supplying the decision to BIND as a data input to a data base in the central processor 14 which, as indicated by block 50, generates a report to the company followed by a system review of the policy as indicated by block 52. (Page 10, line 8 – Page 11, line 5)

The result of the policy review by the system is an input to a decision block 54 where a NO decision diverts the matter of issuing a binder for the application of a not accepted label as indicated by block 56. The not accepted label produces storage of the data file indicated by the block 58. A YES decision from decision block 54 form an entry to block 60 producing an accuracy review of all screening previously accepted. Non treaty reinsurance is entered as an entry in the data base as indicated by block 62 and the one software application proceeds to calculate the treaty reinsurance as indicated by block 64. Both of the non treaty reinsurance and the treaty

reinsurance are setup functions in the system to administer limits to acquired liability should there be a release of the policy for issuance. While the treaty reinsurance is automatically recalculated, the system allows for user entry of any facultative (pro-rata or excess) by coverage. (Page 11, lines 6 – 16)

The system then provides a decision block 66 calling for the exercise of HOLD-PRINT-RELEASE options. The HOLD option stores the policy for later processing as indicated by block 68. The PRINT option commands the printing of a copy of the policy for review as indicated by block 70. The RELEASE option issues a command which is delivered by the administrative computer terminal 20 to printer 22 for printing appropriate policy contracts or reinstatement notices for mailing as indicated by block 72. The printing of the policy contracts produces the building of billing files as indicated by block 74 used by the system for invoicing according to a due date or dates as supplied by the data of the data file. Each data base file identifies the agent(s) with applicable commissions, installment plans and reinsurance. Billing is exercised with the options of direct billing; agency billing; billing by location; and installment plans with installment charges and option to pay in full showing the total amount due less future installment charges. The billing files are clock driven and respond to data entries received from the cash entry software application 150 for capturing reason for cancellation and printing a cancellation notice. (Page 11, line 17– Page 12, line 10)

The flow chart of Figure 4 illustrates a further aspect of the one software application 24 of providing for a billing software application 100 responsive to a command output from the administrative computer terminal 20 to the central processor 14 which in turn produces a data stream representing billing information reduced to printed form by printer 22. Block 102

denotes the command output from an agent's terminal to print daily invoicing by a user. The one software application responds by determining invoices and amounts to print by due date as indicated by block 104. As indicated by block 106, filtering is used to limit the print of invoicing with due dates meeting criteria imputed to the system. Block 108 indicates a report showing the printed invoices. (Page 12, line 13 – Page 13, line 2)

The flow chart of Figure 5 illustrates the operation of the report software application 110 to generate daily and monthly reports which are an extension to the billing function also occurring in response to a command received by the central processor 14 in response to an output from an agent's terminal 12-1, 12-2 ----12-N and/or the administrative computer terminal 20. Block 112 denotes a request by a user for the reports on a daily basis to identify policies to be canceled due to non payment; the printing of invoices based on a due date; a billing invoice statement providing current amount due as well as past history of paid installments and future installments and a printing of return premium checks responsive to requests when monies are due the insured. Month end reports are generated in the system supported with any month end date; agent commission payable reports; billing aged accounts receivable reports; direct earned by coverage report; direct unearned by coverage report; agent's performance written and an earned report; agent's earned premium and incurred loss report; reinsurance earned by coverage report; and reinsurance by reinsurance contract earned by coverage report. Additionally, statistical coding supports MSO coding by utilizing user maintained tables and generates quarterly files to be sent to MSO. The one software application responds by operation of the system causing the building of the required files/reports as indicated by block 114. The system then functions to

generate the reports as indicated by block 116 followed by printing of the reports by printer 22.

(Page 13, line 3 – 21)

The flow chart of Figure 6 illustrates the operation of the claims software application 120 which uses the data bases generated by the one software application 24 as described hereinbefore to process claims arising out of insurance coverage provided from the one software application 24. The claims processing function commences with an entry of user entry data from a standard claim notification form as indicated by block 122. A decision block 124 produces a valid policy determination as a system function which determines a valid policy for the date of loss and displays policy data by a YES decision. In the event of a failure to identify a valid policy, the system invokes a NOT VALID command to the system which displays the message and places the claim in suspension as indicated by block 126. The YES decision functions as an input to function block 128 causing the system to access data files built by the one software application to produce a YES or NO decision to a determination if a valid location of insured property. A NO command from decision block 128 is received by block 130 whereby the user places the claim in a suspended status which appears as an entry of claimant information in block 132. A YES from decision block 128 allows the user to select a valid location and enter data from claim notification as indicated by block 134. The selection of the valid location enables the user to display all policy/location/coverage details from the policy as indicated by block 136. A decision block 138 invokes a valid coverage decision by a YES or NO output which is decided by the user typically a knowledgeable claims adjuster. A NO command from decision block 138 is received by block 140 whereby the user places the claim in the suspended status appearing as an entry of claimant information in block 132. A YES command from

decision block 138 allows the user to select the identity of valid coverage as indicated by block 142 and the entry of the valid coverage information to claimant information encompassed by block 132. The user enters claimant information including loss codes and reserves. The loss codes and reserves are inputted using Tables derived from information block 144. The output from block 132 is supplied to the one software application 24 where the insured claim is processed leading to the payment of the insured claim. (Page 14, line 1 – Page 15, line 7)

Figure 7 illustrates a flow chart for the cash entry software application 150 which uses the data bases generated by the one software application as described hereinbefore to process cash entries in the system particularly, for example, cash received and cash returned. The cash entry function is initiated by a user accessing a check entry option in a cash entry screen displayed by a monitor of the administrative computer terminal 20 as indicated by block 152. The user selects an option for cash received or returned and enters data including identification and dollar value of the transaction as indicated by block 154. Cash entries are then entered to a batch which the user then selects a posting function to post the cash batch as indicated by block 156. The posting of the cash initiates a data entry function as indicated by block 158 to update the system files with the cash entries forming part of the data in the data bases. (Page 15, lines 8 – 19)

(vi) Grounds of rejection to be reviewed on appeal.

The broad issues presented in this appeal are 1) whether claims of the present invention particularly point out and distinctly claim the subject matter which the applicant regards as the invention, and 2) whether the differences between the subject matter of the claims of the present invention and the prior art references are such that the subject matter of the present invention, taken as a whole, would have been obvious at the time the invention was made to a person having ordinary skill in the art.

More particularly, the first issue is whether the recitations in the appellant's independent claims 1 and 18 (and therefore dependent claims 2-17 and 19- 34, respectively) of "said one software application performing functions of rating of insurance coverage; rating of options; rating of liability; a premium acceptance decision block; a hold-print-release decision block; a binder insurance decision block; treaty reinsurance function; non-treaty reinsurance function; and building of a billing file," are indefinite under the provision of 35 U.S.C. § 112, second paragraph and thus should be interpreted for the purpose of applying the prior art as --- a system that processes reinsurance information; compiles billing information; gathers premium acceptance information; rates insurance coverage; provides binder/contract decision information; performs printing functions; and rates liability information.---.

The second issue is obviousness under 35 U.S.C. § 103(a) of claims 1-3, 5-28 and 30-34 over Bosco et al, patent 5,191,552 9 (hereinafter Bosco) in view of Tauhert (Article entitled Merger of the Century) and of claims 4 and 29 over Bosco in view of Tauhert and Official Notice.

(vii) Argument.

a.) The rejection under 35 U.S.C. § 112, second paragraph

The rejection of Appellant's claims as indefinite under the provision of 35 U.S.C. § 112, second paragraph should be reversed because it is erroneously based on a perceived failure to "provide any clarification or recite any steps in defining steps that are performed as the software/application executes these functions." (Page 2 of the final rejection) The referenced functions are "said one software application performing functions of rating of insurance coverage; rating of options; rating of liability; a premium acceptance decision block; a hold-print-release decision block; a binder insurance decision block; treaty reinsurance function; non-

treaty reinsurance function; and building of a billing file,” (claim 1 lines 7-10) It is submitted that resort to the specification and drawings is the well established and proper recourse to provide such “clarification” or “identification of steps”.

The appellant’s claim 1 also recites that the one software application:

1. Contains:
 - a) Commercial lines insurance polices, and
 - b) Forms
2. Includes controls to modify said commercial lines insurance policies, and
3. Includes a control selection for entry into control and processing programs to systematically enter data to build data files for forming policy processing data bases.

The believed patentable inventive role of the recited “one software application” is further defined in claim 1, lines 10-21 by the recitations of:

“said policy processing data bases *being built by* said one software application *using* a multiplicity of files each containing a multiplicity of files to handle policy functions in the management of commercial lines insurance policies established by said central processor;

a user enabled interface coupled *to access* said one software application *using* said control and processing programs to systematically introduce data to build data files for building an individual commercial lines insurance policy using said forms, said one software application *being operative to building* a selected commercial lines insurance policy from a selected one of said commercial lines insurance policy forms using said policy processing data bases; and

a readout for issuing said selected commercial lines insurance policy and invoicing a policy premium therefore, said readout supplying administrative reports *using* said one software application.” (Emphasis added)

The appellant has claimed what he regards as his invention as mandated by the second paragraph of section 112 of the patent statute. The applicant’s, as filed, original claims 1 and 18 recited that the one software application handled all of policy functions. These claims were rejected as not in compliance with 35 U.S.C. 112, second paragraph because the phrase “all”

includes elements not actually disclosed. Section 2171 of The Manual of Patent Office Examining Procedure (MPEP) discusses the two separate requirements of the second paragraph of 35 U.S.C. 112, namely: that the claims must set forth the subject matter that applicants regard as their invention; and that the claims must particularly point out and distinctly define the metes and bounds of the subject matter that will be protected by the patent grant. The Manual describes that the first requirement is a subjective one because it is dependent on what the applicants for a patent regard as their invention. Clearly the Applicant regards the One Software Application and not a multiplicity of applications for administering commercial lines insurance as his invention. The Manual explains that the second requirement is an objective one because it is not dependent on the views of applicant or any particular individual, but is evaluated in the context of whether the claim is definite - i.e., whether the scope of the claim is clear to a hypothetical person possessing the ordinary level of skill in the pertinent art. Office personnel shall determine whether the claims set out and circumscribe the invention with a reasonable degree of precision and particularity. The Manual explains at page 2100-19 that:

In this regard, the definiteness of the language must be analyzed, not in a vacuum, but always in light of the teachings of the disclosure as it would be interpreted by one of ordinary skill in the art. Applicant's claims, interpreted in light of the disclosure, must reasonably apprise a person of ordinary skill in the art of the invention. However, the applicant need not explicitly recite in the claims every feature of the invention. For example, if an applicant indicates that the invention is a particular computer, the claims do not have to recite every element or feature of the computer. In fact, it is preferable for claims to be drafted in a form that emphasizes what the applicant has invented (i.e., what is new rather than old). *In re Dossel*, 115 F.3d 942, 946, 42 USPQ2d 1881, 1884 (Fed. Cir. 1997).

The Boards' attention is respectfully directed to the applicant's specification, Page 2, line 17 through Page 3, line 10, as filed:

“Accordingly, it is an object of the present invention to provide a system to automate the functions of a property-casualty insurance company to include rating, policy issuance, billing, reinsurance, bureau reporting, management reports and claims processing.

It is another object of the present invention to provide a complete system real-time solution providing the functions which are required by a property/casualty insurance carrier within one system.

It is another object of the present invention to provide one software application accessible on a realtime basis by agents and/or administrative personnel for issuing commercial lines insurance policies without resort to batch processing of data.

It is a further object of the present invention to provide one software application triggering all policy management functions including quoting, issuing, endorsing, canceling, reinstatement and auditing. *These functions are generated by separate programs typical of current design technique.*” (Emphasis added)

It is submitted that the Appellant’s claims emphasizes what the applicant has invented namely the one software Application and not the operation of constituent components component.

Section 2173.05(g) of the MPEP allows the use of functional limitations for patentability as:

“A functional limitation is an attempt to define something by what it does, rather than by what it is (e.g., as evidenced by its specific structure or specific ingredients). There is nothing inherently wrong with defining some part of an invention in functional terms. Functional language does not, in and of itself, render a claim improper. In re Swinehart, 439 F.2d 210, 169 USPQ 226 (CCPA 1971).”

In view of the forgoing, it is respectfully submitted that the scope and function of the One Software Application as described by the system of claim 1 and in similar terms by the method of claim 18 are not indefinite within the meaning of 35 U.S.C. 112 second paragraph. The Examiner seeks license to disregard the Appellant’s claim language based on the perceived deficiency of the language to recite the functions of the functions performed by the operation of the one software application. In so doing, the language of Appellants claim is disregarded and interpreted

for the purpose of applying prior art.

b.) The rejection under 35 U.S.C. § 103

The fundamental error in the rejection of Appellant's claims is the failure of the prior art references to disclose or suggest the Appellant's claimed recitation of a one software application recited in the combination of claim 1 for rating, delivery and administration of commercial lines insurance and recited in a method of claim 18 for issuing commercial lines insurance.. The Appellant's arguments *supra* regarding the sufficiency of the claims serves to emphasize the importance of the one software application. The rejection of Appellant's claims 1-3, 5-28, 30-34 under 35 U.S.C. 103(a) as being unpatentable over Bosco et al (hereinafter Bosco) in view of Tauhert (author of a publication entitled Merger of the Century) is in error because the Bosco reference does not disclose or suggest Appellant's claim recitations and the reliance on the Tauhert reference is clearly misplaced. An accurate determination of the scope and content of the Bosco reference as required by the Supreme Court in *Graham v. John Deer* 148 USPQ459 is clearly lacking. The specification of the Bosco reference is extensive but fairly expressed by the Abstract:

“An integrated information storage processing and reporting system for processing and supervising a *plurality of group insurance accounts* was constructed with a *single enterprise-wide relational data base*. The system provides sales, underwriting, administration and actuarial functions through integrated program-controlled data processing *systems specific for each function* and communicating with a group insurance account data bank. Each function is accessible through a single integrated workstation.” (Emphasis added)

It is well established by the *Graham* Decision *supra* that any rejection under 35 U.S.C. 103 must be supported by a factual basis in the reference relied upon. In rejecting claims under 35 USC § 103, the examiner bears the initial burden of presenting a *prima facie* case of obviousness. See *In re Rijckaert*, 9 F.2d 1531, 28 USPQ2d 1955 (Fed.Cir. 1993); *In re Oetiker*,

977 F.2d 1443, 24 USPQ2d 1443 (Fed.Cir. 1992).

The rejection as applied to claim 1 contends that:

“Bosco teaches a system for rating, delivery and administration of insurance policies, said system including the combination of:

- a central processor including software essentially having one software application with control and processing programs to form policy processing data bases to handle multiple policy functions in the management of insurance policies; (Figures 10, 12-13; col.2, line 5-col 3, line 45; col.4, line 57-col. 6, line 19; col.21, line 32-col. 22, line 7; col.29, line 48-col. 31, line 11)”

This restructured expression of the first phrase of the first paragraph of Appellant’s claim 1 erroneously asserts a teaching of Appellant’s one software application is found in Bosco and also omits from consideration the recitation that the one software application contains:

1.) Commercial lines insurance policies and forms; and

2.) Controls to modify said commercial lines insurance policies and a control selection for entry into control programs to systematically enter data to build data files.

Moreover the referenced drawing figures and the referenced text are voluminous to obscure the perceived relevancy. Consideration is first given to the disclosure by the identified drawing figures; Figure 10 is identified as a sample of a table format into which data is entered into the system relational data base. It is respectfully pointed out that Appellant’s invention of a one software application and the data base thereof does not involve the concept of a “relational data base”. “Figure 12 shows an embodiment of the functional access architecture of integrated group insurance information storage, processing and reporting system;” which is the overall system for the group insurance information processing and reporting system which is not the field and subject matter of the commercial lines insurance of the present invention. While the Appellant’s invention includes workstations and Figure 13 shows workstation architecture, this is not relevant to the Appellant’s particular claimed subject matter.

Col.2, line 5-col 3, line 45 of Bosco

This text consist 11 paragraphs; starting with the object of the invention. It is significant to note the passage at col.2, lines 10-15 identifies the use of multiple allocation programs, thus teaching away from Appellant's claimed "one software application"

"The invention achieves this objective by developing the system based on a single data structure model for a relational data base which is compatible with and accessible to all of the *applications programs* of the enterprise-wide system." (Emphasis added)

The remaining paragraphs summarize various details. The explanation of the term "relational data base" appearing in the passage col.2 line 52-col.3 line 14 is note worthy because it is respectfully submitted to be specific only to the group insurance concept:

"The relationships between entities are also identified, and documented in the table format and entered into entity-to-entity relationship tables in the computer storage means memory. The tables of the data base are in the format of rows and columns. Since the data base is relational, each of its tables will have a column that is the same as a column of at least one other table.

The attributes that describe each entity are determined and normalized. After normalization, the attributes are documented in the entity relationship tables and data concerning each attribute is entered into the relational data base in the storage means.

A data dictionary which defines the entities and attributes and includes an index of the tables is then compiled and entered into the storage means to complete the relational data base After the tables have been constructed a first level graphic model depicting all of the entities and their relationships is produced.

The operational relationship between each of the entities is then determined for each entity-to-entity relationship and categorized so as to a form first level entity-relationship model.

The entities and relationships are then analyzed so as to produce a second level model. This entails grouping the entities into subject categories which correspond to the business objectives and use of the business data in the enterprise's business. The grouped entity-relationship tables or subject categories may then stored as clusters of tables in separate physical locations in the storage means."

The remaining portions of the Bosco specification discuss the use of the relational data base which is foreign to the recitation of Appellant's one software application. At column 3, line 15 specific data or tables are to be limited to users of specific application *programs*. This teaching

of use of *programs* flies in the face of applicant's teaching of a one software application.

Col.4, line 57-col. 6, line 19 of Bosco

This text consists 16 paragraphs that explain the concept of a relational data base and should include the immediately proceeding two paragraph that start at col. 4, line 30. A perusal of this section of the Bosco reference explains the identification of entities and relationship of the entities in the relational data base. This teaching is submitted to demonstrate the incongruent concept of modifying the Bosco reference with the Tauhert reference which is cited for a disclosure of "an internet-implemented system for issuing and administering commercial lines insurance policies." to support the argument it would be obvious to modify the system of Bosco with the teaching of Tauhert to rate, deliver and administer commercial lines insurance policies using the Bosco system. The argument is unsound for the failure to address the recitation in the appellant's claims of "controls to modify said commercial lines insurance policies and a control selection for entry into control programs to systematically enter data to build data files."

Col.21, line 32-col. 22, line 7; of Bosco

This text consists 2 paragraphs that explain that "Any relational data base management system program may be used to manage the data base." The programs discussed do not use the Appellant's concept of a one software application. In the second of these two paragraphs, the disclosure of one specific embodiment is described referring to the block diagram of Figure 11 as comprised approximately 40 sub-system program modules, clearly devoid of the concept of a *one software application*.

Col.29 line 48-col. 31, line 11 of Bosco

This text consists of claim 3 and it is pointed that the preamble recites

"An enterprise-wide integrated computer system for storing, processing and reporting information regarding a plurality of group insurance accounts comprising:"

and although extensive claim language recitations are presented, nothing is identified nor can one find a suggest or a description of the Appellant's one software application.

The rejection thus ignores appellants claim recitation calling for a one software application; commercial lines insurance policies and forms; controls to modify said commercial lines insurance policies; and a control selection for entry into control programs to systematically enter data to build data files. The appellant's recitations in claim 1 and similar step in the method of claim 18 of a user enabled interface and a readout are identified in the in bock rejection as taught by the Bosco reference using the erroneous assumption the missing elements exist in Bosco. This is clear error.

On page 5 of the final rejection, the argument is presented that "Tauhert discloses an Internet-implemented system for issuing and administering commercial lines insurance policies (Page. 49-50, paragraphs 5-6----e.g. answering customers question, quoting and issuing policies.)" A recitation calling for the internet is not found in the Appellant's independent claims 1 and 18. The identification of the internet in the Tauhert refeence is not a basis to ignore the failure of the reference to suggest the one software application; the commercial lines insurance policies and forms; the controls to modify said commercial lines insurance policies and a control selection for entry into control programs to systematically enter data to build data files. A prima facie case of obviousness is established when the teachings of the prior art itself would appear to have suggested the claimed subject matter to one of ordinary skill in the art. See *In re Bell*, 991 F.2d 781, 26 USPQ2d 1529 (Fed. Cir. 1993); *In re Rinehart*, 531 F.2d 1048, 189 USPQ 143 (CCPA 1976). The argument of this rejection is clearly based on the impermissible hindsight reconstruction of applicant's claimed invention as there is clearly no basis in the references themselves to support the combination. The argument of the rejection fails to advance any

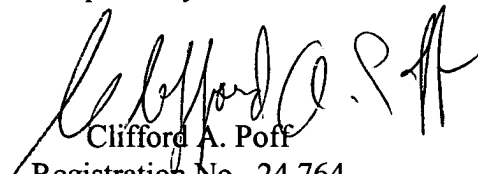
reason why one would modify the references particularly the modifications to do something the references do not even merely suggest. To combine references the obviousness of the combination of references must come from the references themselves not from the impermissible hindsight use of Appellant's invention.

Appellant argues that there is a lack of motivation to combine such references. As stated in In re Deminski, 796 F.2d 436, 442, 230 USPQ 313, 315 (Fed. Cir. 1986) and recently affirmed in In re Hans Oetker 24 USPQ 2d 1443, in order to rely on a reference as a basis for rejection of the Appellant's invention, the reference must either be in the field of Appellant's endeavor, or if not, then be reasonably pertinent to the particular problem with which the inventor was concerned such that a person of ordinary skill in the art would reasonably be expected to look in that field for a solution to the problem facing the invention. The rejection must provide a factual basis founded in objective teaching of the cited references leading to a legal conclusion of obviousness. *In re Fine*, 5 USPQ2d 1596 (Fed Cir. 1988); and *In re Lahu*, 223 USPQ 1257 (Fed Cir. 1984). The Federal Circuit reiterated in *In re Fine*:

"[t]o imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher." 5 USPQ2d at 1600 quoting from *W.L. Gore*, 220 USPQ 303, 312-313 (Fed. Cir. 1983)

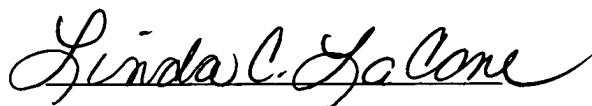
For the foregoing reasons, the Appellant requests that the rejection of Appellant's claims be reversed.

Respectfully submitted,


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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Mail Stop Appeal Brief - Patent, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on December 29, 2005



Date: December 29, 2005

Linda C. LaCone

(viii) Claims appendix.

1. A system for rating, delivery and administration of commercial lines insurance policies, said system including the combination of:

a central processor including software essentially having one software application containing commercial lines insurance policies and forms with controls to modify said commercial lines insurance policies and a control selection for entry into control and processing programs to systematically enter data to build data files for forming policy processing data bases, said one software application performing functions of rating of insurance coverage; rating of options; rating of liability; a premium acceptance decision block; a hold-print-release decision block; a binder insurance decision block; treaty reinsurance function; non-treaty reinsurance function; and building of a billing file, said policy processing data bases being built by said one software application using a multiplicity of files each containing a multiplicity of files to handle policy functions in the management of commercial lines insurance policies established by said central processor;

a user enabled interface coupled to access said one software application using said control and processing programs to systematically introduce data to build data files for building an individual commercial lines insurance policy using said forms, said one software application being operative to building a selected commercial lines insurance policy from a selected one of said commercial lines insurance policy forms using said policy processing data bases; and

a readout for issuing said selected commercial lines insurance policy and invoicing a policy premium therefor, said readout supplying administrative reports using said one software application.

2. The system according to claim 1 wherein said one software application is an

application of the computational and data processing types using both arithmetic computations and data handling operations.

3. The system according to claim 1 wherein said one software application includes display fields controlled by said control and processing programs for introducing policy rating, selecting forms, and insurance premium data to said commercial lines insurance policy processing data bases.

4. The system according to claim 1 further including a firewall to the Internet for accessing said one software application using said user enabled interface on a real time basis.

5. The system according to claim 1 wherein said readout further includes a computer terminal for accessing said one software application.

6. The system according to claim 1 wherein said central processor further includes a claims software application sharing said policy processing data bases of said one software application for processing insurance claims arising out of insurance coverages provided from said one software application.

7. The system according to claim 6 wherein said claims software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

8. The system according to claim 1 wherein said central processor further includes a billing software application sharing said commercial lines insurance policy data bases of said one software application for issuing said selected commercial lines policy and issuing a policy therefor by said readout.

9. The system according to claim 1 wherein said readout includes a printer for printing said selected commercial lines insurance policy and said invoicing a policy premium

therefor.

10. The system according to claim 9 further including an administrative computer terminal connected to said central processor for management of commercial lines insurance policy data supplied from said one software application.

11. The system according to claim 10 wherein said administrative computer terminal includes a central processing unit for controlling said printer in response to a command received from said central processor.

12. The system according to claim 1 wherein said central processor further includes cash entry software application sharing said policy processing data bases of said one software application for processing cash received and cash returned arising out of insurance coverages provided from said one software application.

13. The system according to claim 12 wherein said cash entry software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

14. The system according to claim 1 wherein said central processor further includes an administrative report software application sharing said policy processing data bases of said one software application for generating daily and monthly reports arising out of insurance coverages provided from said one software application.

15. The system according to claim 14 wherein said administrative report software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

16. The system according to claim 14 wherein said administrative report software application identifies: policies to be canceled due to non payment; invoices based on due date;

billing invoice statement; returned insurance premium; agent reports; billing aged accounts receivable report; coverage reports; and reinsurance report.

17. The system according to claim 1 wherein said central processor further includes a claims software application, a billing software application, a cash entry software application and administrative software report application each sharing said policy processing data bases of said one software application.

18. A method for issuing commercial lines insurance, said method including the steps of:

providing a central processor essentially with one software application containing commercial lines insurance polices and forms with controls to modify said commercial lines insurance policies and a control selection for entry into control and processing programs to systematically enter data to build data files for forming policy processing data bases, said one software application performing functions of rating of insurance coverage; rating of options; rating of liability; a premium acceptance decision block; a hold-print-release decision block; a binder insurance decision block; treaty reinsurance function; non-treaty reinsurance function; and building of a billing file, said policy processing data bases being built by said one software application using a multiplicity of files each containing a multiplicity of files to handle policy functions in the management of commercial lines insurance policies established by said central processor;

forming commercial lines insurance policy data bases by accessing said one software application with a user enabled interface for entry into control and processing programs to systematically enter data to build data files;

using said one software application to build a selected commercial lines insurance

policy from a selected one of said commercial lines insurance policies;

using said one software application for issuing the selected commercial lines insurance policy and invoicing a policy premium therefor; and

using said one software application for supplying administrative reports using said commercial lines insurance policy data bases.

19. The method according to claim 18 including the further step of processing insurance claims by using a claims software application sharing said policy processing data bases for processing claims against insurance coverage provided from said one software application.

20. The method according to claim 19 wherein said claims software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

21. The method according to claim 18 including the further step of using an administrative report software application sharing said policy processing data bases to generate daily and monthly reports of insurance coverages provided from said one software application.

22. The method according to claim 21 wherein said administrative report software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

23. The method according to claim 18 including the further step of using a cash entry software application sharing said policy processing data bases for processing cash transactions arising out of insurance coverages provided from said one software application.

24. The method according to claim 23 wherein said cash entry software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

25. The method according to claim 18 including the further step of using a billing software application sharing said policy processing data bases for said step of issuing the selected commercial lines insurance policy and invoicing the policy premium therefor.

26. The method according to claim 25 wherein said billing software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

27. The method according to claim 18 wherein said one software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

28. The method according to claim 18 wherein said one software application forms display fields controlled by said control and processing programs for introducing policy rating, selecting forms, and insurance premium data to said commercial lines insurance policy processing data bases.

29. The method according to claim 18 including the further step of providing a firewall to the Internet for accessing said one software application using said user enabled interface on a real time basis.

30. The method according to claim 18 wherein said step of issuing the selected commercial lines insurance policy includes using a computer terminal for accessing said one software application.

31. The method according to claim 30 wherein said step of issuing the selected commercial lines insurance policy includes using a printer connected to said computer terminal for printing said selected commercial lines insurance policy and said invoicing a policy premium therefor.

32. The method according to claim 18 including the further step of using an administrative computer terminal to supply said administrative reports for management of commercial lines insurance policy data supplied from said one software application.

33. The method according to claim 21 wherein said administrative report software application identifies: policies to be canceled due to non payment; invoices based on due date; billing invoice statement; returned insurance premium; agent reports; billing aged accounts receivable report; coverage reports; and reinsurance report.

34. The method according to claim 18 wherein said central processor further includes a claims software application, a billing software application, a cash entry software application and administrative software report application each sharing said policy processing data bases of said one software application.